DOCUMENT RESUME

ED 279 448 RC 016 095

AUTHOR Clark, Jane
TITLE How the Budget Cuts Undercut Rural Women.
INSTITUTION Rural American Women, Inc., Washington, D.C.
SPONS AGENCY National Education Association, Washington, D.C.
PUB DATE Oct 82
NOTE 36p.
PUB TYPE Information Analyses (070)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Agriculture; Block Grants; *Budgeting; Community Development; Economically Disadvantaged; Employment; Energy; Environment; Females; Health; Housing; Migrant Workers; Minority Groups; Older Adults; *Retrenchment; Rural Education
IDENTIFIERS *Federal Budget; Impact; *Rural Women

ABSTRACT

This study describes the status of 34 million rural women and analyzes how they and their families will be directly affected by cuts in the 1983 federal budget in the areas of legal services, vocational education, domestic violence intervention, energy assistance and alternative energy development, public housing, unemployment compensation, social security benefits, public transportation, farm loans, child care, and civil rights enforcement. Described are impacts of tighter Farmer's Home Administration loan policies; elimination of Comprehensive Employment and Training Administration jobs; Volunteers in Service to America cutbacks and possible termination; higher education reductions in Guaranteed Student Loan Program, Pell Grants, and work-study program jobs; elementary education retrenchment reducing teacher and classroom aide jobs; and elimination of Women's Educational Equity Act funds which support development of teaching methods/materials promoting equal public education and compliance with federal anti-discrimination regulations. Other program cuts will affect the Low-Income Energy Assistance Program; Aid to Families with Dependent Children; Women, Infants, and Children program; Medicare; Medicaid; and Food Stamps. Separate sections outline program cuts which will adversely affect minority women, the poor, elderly women, and migrant farmworkers. A final section describes the consolidation of 57 separate programs into 9 block grants and their potential impact on the poor. (NEC)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

News From
Rural American Women/inc

ED279448

HOW THE BUDGET CUTS UNDERCUT RURAL WOMEN

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
Jane C. Clark.

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

✓ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

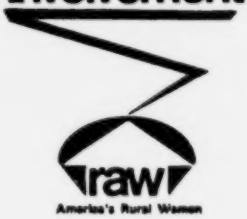
October, 1982

RC016095

BEST COPY AVAILABLE

1522 K Street N.W., Suite 700, Washington, D.C. 20005.

Stepping Out of Obscurity and into Involvement



Foreword

We are living in very difficult, but very exciting times. As a nation, much that we have taken for granted in the past few decades is in turmoil. Creative solutions are the order of the day. Rural Americans, those closest to the land, know first hand the problems we face regarding the very resources that sustain all life: food, water and energy. Their concerns are not that different from their urban sisters; they want a decent life. They want to produce, to create, to educate. Rural women are clear we must all live in harmony with the land. Their skill and expertise in the most crucial area of all- survival - will bring them into the forefront of the movement for social change.

Though rural America makes up less than a third of the total U.S. population, it has more than 40% of the poor, 56% of those inadequately housed, twice as many chronically disabled, than in urban areas. The average rural American is less likely to pursue higher education than her urban sister. She will usually outlive her male companion in poverty, and most likely will suffer from chronic illness. Native American women are more rural than any other group in the country. More than two-thirds of families on reservations live in sub-standard housing. Approximately one-half of rural Hispanic families headed by women live below the poverty level. The average annual earnings of rural black workers are one-half the national average.

Coupled with problems of isolation, inadequate transportation, access to and quality of medical care, inadequate employment and training opportunities and relatively low levels of social services, it's clear that rural America is chronically underserved by federal programs, and has much to lose from the substantial cutbacks presently taking place.

34 million rural women and their families are directly affected by the Federal budget cuts. Until this study was prepared, we had no clear understanding of how the cuts hit us. As you will see, statistics are not gathered for rural women. Either you find rural (which usually means men) or women (which usually means urban). This report provides a unique understanding of a problem we all need to address if we are to meet the challenge presented by the economic crisis.

The list of cuts is long. Rural women will be affected by cuts in legal services, vocational education, domestic violence intervention, energy assistance and alternative energy development, public housing, unemployment compensation, social security benefits, public transportation, farm loans, child care and civil rights enforcement.

Rural American Women
1522 K St. N.W.
Suite 700
Washington, D.C. 20005

(202) 785-4700

It is ironic that these reductions in domestic spending will not result in a smaller budget, for the $30 billion "saved" will go towards an increase of over $30 billion in military spending.

Please review this study with care. The budget cuts mean suffering and hardship for many, but if we are resourceful, we can find humane and creative solutions to our serious economic and social problems. And consquently we will find ourselves stronger and more resistant to future social disruption.

Carolyn Kazdin
Executive Director
Rural American Women

TABLE OF CONTENTS

Introduction

Agriculture.....1

Work
CETA.....3
VISTA.....5

Quality of Life
Education.....6
Environment.....9
Health.....11
Housing.....15
Energy.....16
Community Development.....17

Those Hardest Hit
Programs for the Poor.....18
Women of Color.....19
Elderly Women.....21
Migrants.....24

Block Grant Perspective.....25

References.....27

Author: Jane Clark
Research Associate
Rural American Women

Printing was made possible by a grant from the National Education Association (NEA).

INTRODUCTION

The suffering in rural America aggravated by the budget cuts in federal programs has been largely ignored. This is not surprising considering the focus on predominantly urban problems in this country since World War II. America is now taking another look at rural areas as more and more people return to live the country life. For the first time in 160 years, the census shows a faster growth rate for non-metropolitan as compared to metropolitan areas.

There are approximately 34 million rural women in the United States. Impressive studies have been done on the effects of the budget cuts on women, and some work has been done on the effects on rural people in general. There is a large gap, however, in the information available on rural women. This study has been done to fill in some of those gaps. It is addressed to rural women as well as to those concerned with rural issues, budget cut effects on women, and social justice.

These and other critical issues for rural women will be explored in the context of the budget cuts:

HEALTH

Health has always been a major issue in rural areas. The 1970 census figures show that while urban areas have one doctor for 550 people, in rural areas a doctor serves 2,400 people. Other statistics point to the much higher incidence of mortality among rural mothers and infants, the disproportionate number of elderly citizens - who with infants are the greatest users of medical services - and the higher incidence of chronic illness.

The Community Health Centers Program was designed to deal with many of these rural health problems. 80% of the people served by the centers are women and children. Although not totally effective in meeting rural health needs, the program was a start in the right direction. The Community Health Center Program was cut severely in 1980.

172 established Community Health Centers received no federal funds. Again in 1982 the Centers were cut by 25%; funding for Migrant Health Centers was cut by 18%. 40 health centers have closed as a result of these cuts. An additional 120 Community Health Centers and 14 Migrant Health Centers may close by the end of 1982 affecting over 1 million rural and urban people. An improvement in the program and an expansion of its services is called for, not severe curtailment endangering the health of rural people.

JOBS

Jobs are also a major concern of rural women. Earning much less than men nationally, employment opportunities and pay are even more restricted in rural areas. CETA public service jobs were one avenue of employment. Approximately half of all new CETA applicants were women in 1979-80. The CETA public service job program has been eliminated. This means a cut of 300,000 jobs, many of them in rural areas. School children, the handicapped, the poor, battered women in shelters, and the elderly are all among those who are suffering from these cuts.

AGRICULTURE, HOUSING AND RURAL DEVELOPMENT

The Farmer's Home Administration (FmHA) addresses rural needs of housing, rural development and farm support through its grant and loan programs. Originally designed to aid farmers, the FmHA has become involved over the years in all aspects of rural development. A recent survey by the FmHA shows that 40% of rural housing loans go to women. The FmHA today is in serious jeopardy because of the budget cuts and consequent uncertain plans for its future. Restrictions on loans and foreclosures are running at an all-time high. Farmers are in serious trouble due to low prices for their products, compared with high prices for fuel and technology. The budget cuts and administration changes are coming at a time when 1000 farms a week are lost in rural areas.

Rural women have always been very resourceful within the context of family and survival. Locally, women have always found ways to start coops, provide community services and to help other women in their search for jobs. They have not always been as successful in mobilizing to make an impact on government policies.

We offer this study as a tool rural women can use in seeking understanding the processes at work in the federal arena. It is also meant to add a new perspective often neglected by policy-makers and groups working to effect change.

AGRICULTURE

"Agriculture is in a state of collapse. I don't know if we'll have a national depression, but we sure have one in rural areas."

-Bernard Hillenbrand, Executive Director of National Association of Counties

Agriculture in America is currently experiencing its biggest crisis since the Great Depression. Prices are low, interest rates and farm costs are high while farms are going under at a rate of 1000 farms a week.

The Farmer's Home Administration (FmHA) was created during the 1930's depression to help insure the survival of low and moderate income farms. It is presently facing a combination of large cuts in loan funds and a tightening up of the regulations for farming loans. The net effort of these policies will be to continue to force small and medium sized farming operations into foreclosures and to further stimulate the growth of agribusiness.

"If the farm credit system is going to drive out all of young, heavily leveraged farmers - and I think it is happening - we'll end up with corporate farms and there will be an entirely new power structure in the country."

-John D. Atkiss, Ohio Attorney handling financial matters for farmer.

Efforts to tighten up loan policies in rural America have included a 1981 audit of 150 FmHA offices nationwide. Audits in Preston and Rochester, Minnesota criticized alleged leniency in providing loans to area farmers, claiming that in several cases FmHA officials in those towns were allowing abnormal repayment schedules of 40 years rather than the usual 7 or 20 rate schedule.

Officials in both towns as well as the Minnesota state FmHA refuted the criticism, saying that 40 year schedules were not abnormal and that leniency was mandated by the current depression facing rural areas.

"All I can say is, Thank God some of these people have 40 year loans and have a chance to pay them back instead of seven years with a greater chance of default... They (auditors) were unwilling to accept our viewpoint at all ... I don't feel we did anything wrong."

-Greg Nelson, FmHA county supervisor, Rochester, Minnesota

Farmers successful in obtaining 40-year loans have much to be thankful for; audits such as these have guaranteed that under current policies such loans will no longer be obtainable.

According to Census figures, women comprise only 5% of the farm owners in this country. A far greater number are engaged in running farms with their spouses; the tendency among farm families is to report the husband as the owner since only one owner can be designated on census forms. Women-owned farms tend to be smaller on the average than do those owned by men. Being overwhelmingly small in size and production, they are among those feeling the brunt of tighter loan restrictions and the general effects of sky-rocketing costs and falling prices. Although no studies exist on the loss of female owned farms, because of these causes it can be expected that losses are as abnormally high as those of minority farmers - a group facing extinction in rural America.

Together with tighter loan policies in FmHA, the government is also trying to cut costs in the areas of price supports for commodities. Although supports disproportionately benefit the large producers, these cuts will gravely affect the small farmer who has far less means to sustain further reduction in prices.

Farm income last year was at its lowest point in 49 years with a prediction of further decline this year. In times like these, it is a tragedy that the one-time ally of farmers - FmHA-has now come to be seen as an antagonist. The small farmers, including many women and minorities, are among the hardest hit by the cutbacks and new regulations of the FmHA.

CETA

The Comprehensive Employment and Training Administration (CETA) is one of the most important federal programs in rural areas. CETA public service jobs are one of the few avenues of employment for rural women. CETA enables many local governments and social service agencies to provide essential services they would not otherwise be able to afford. The handicapped, the elderly, the poor and battered women all benefit from the expansion of social services in rural areas resulting from the CETA program.

The CETA program has sustained a 50% cut in funds for 1982. All public service jobs under the program have been eliminated resulting in the projected loss of 300,000 jobs. In addition $1.8 billion was cut from training programs. Women made up approximately half of all new CETA enrollees in 1979-80. Although accused by many of abuses and misappropriation of funds, a reorganization of the program and not its elimination is called for.

Proposals for a replacement for the CETA program call for much reduced funding, elimination of targeting of women, rural women and other jeopardized groups, and the elimination of stipends for child care and transportation costs.

An example of the suffering entailed in areas where CETA employment was almost the only employment, the Navajo Indian Reservation (comprising a land area equivalent to the combined areas of Massachusetts, New Hampshire, Vermont, Rhode Island and New Jersey) now has a 72% unemployment rate largely attributable to the cutbacks in CETA funds.

The effect of the loss of CETA jobs in rural areas will be a cutback in social services and an increase in unemployment. Women with children will find it difficult to obtain job training when stipends for child care are no longer available, and will seek assistance from welfare programs. Local governments will find themselves understaffed. Shelters for battered women and children will continue to close down as CETA eliminates its public service jobs. Rural areas have always suffered from a shortage of social services; the current cutbacks in the CETA program can only make matters worse. Ironically, CETA and VISTA (Volunteers in Service to America) cutbacks are also negatively affecting volunteer initiatives intended to fill the gaps in social services created by the cuts:

"The Campaign for Human Development, the U.S. Catholic Bishop's Antipoverty Program, reports that community groups it has funded have lost millions of dollars in private sector committments because the loss of CETA workers or VISTA volunteers crippled their projects."

-James Castelli, Consultant to Independent Sector's analysis of Economic Recovery Program

VISTA

Vista, or Volunteers in Service to America, is an antipoverty volunteer program created in 1964. Since its creation, Vista has sent more than 75,000 volunteers to urban and rural sectors to work in community developed programs in areas such as legal service delivery, health care, community planning, economic development and migrant rights.

The Reagan Administration signaled its intention to terminate the Vista program in a memorandum issued early last year: "While Vista has done much useful work in addressing the poor and conditions of poverty, it is believed these limited successes do no justify the continued outlay of Federal funds to support the program."

Vista's budget was $34 million in 1981 and $16 million in 1982 with a forecast of at least $4-$8 million in cutbacks in store for 1983.

Two-thirds of all Vista volunteers are women; the majority of citizens benefitting from Vista programs are also women. 15% of Vista volunteers are 65 years or older. 21% are Black. 66% are poor. Emphasis within the program is placed on recruiting low income as well as local volunteers who are well acquainted with the needs of the areas in which they serve.

It is clear from these statistics that those most affected by Vista cutbacks and possible termination of the program are women, minorities, the elderly and the poor, together with those communities dependent on the great need Vista volunteers fulfill. Many of these communities are rural. They will suffer the double blow of cutbacks in CETA public service jobs and the crippling of the Vista program by the present Administration. One of the greatest tragedies will be the abandonment of a program designed to help communities create their own solutions to grave social problems.

> "The good health of our society, ultimately, isn't measured by how many McDonald's hamburgers we eat. Progress in our society isn't measured by the Nielsen ratings. The true measure of what makes a country great is its commitment to justice and equity for those people at the margin of society. VISTA volunteers work at that margin. In doing so, they encourage the poor and give thousands of other Americans a sense of shared commitment that by helping others to help themselves the moral dimensions of their own lives and the social dimensions of our society can be expanded."
>
> -Sam Brown, former director of ACTION

EDUCATION

Cuts in education will negatively affect rural women both in education opportunities for themselves and for their children.

Americans have always seen education as a way out of poverty. Recent years have seen impressive gains by women in higher and continuing education.

Women outnumber men as recipients of student loan and scholarship programs: (no breakdown is available for Guaranteed Student Loans).

Pell Grants - 60% women
National Defense Student Loans - 52.2% women
Supplemental Education Opportunity Grant - 57.3% women
College Work Study - 57.3% women

Proposed cuts will affect the following programs:

- $450 million in the Guaranteed Student Loan Program (GSL).
- $500 million in Pell Grant Program affecting 1 million students.
- The elimination of all graduate and professional students from GSL eligibility.
- The elimination of the Supplemental Grants (SEOG) which aid 615,000 students.
- The elimination of 150,000 student jobs in the College work-Study Program.
- The gradual elimination of all Social Security Student benefits by 1985.
- The elimination of federal contributions to NDSL fund.

It is clear that rural women will suffer disproportionately in the cutbacks in student aid as higher education becomes the preserve of the wealthy. Medium family income in rural areas averages 20% less than the income for metropolitan families. Students from rural families are therefore more apt to need the financial assistance provided by these programs.

Vocational and adult education is threatened by its inclusion in a block grant with a 40% cut in funding. Both programs had increased the number of women employed in nontraditional (and higher paying)

employment and offered essential adult education to many rural women who had been forced to neglect their earlier education.

Educational programs for primary and secondary students have met similar fates under this Administration.

Congress cut elementary education programs by 20% with the following effects:

- Cuts in the Title I program of $1.9 billion in 1982 and $1.5 billion in 1983. Title I funds are used to give children special help in reading and math skills. Only 45% of the children eligible for the program are currently being served.

- The State Education Block Grant program, which funds programs for disadvantaged children, career education projects, the Teacher Corps, consumer education, and programs under the Alcohol and Drug Act, has been cut 34% from 1980 levels.

- An estimated 42,000 teachers will lose their jobs in FY82 alone with a projected total of 80,000 positions lost by 1984.

- Many classroom aides, overwhelmingly women, will lose their jobs as a result of Title I cuts. These aides provide invaluable service to educationally disadvantaged and handicapped children in the public schools.

The Southeastern Public Education Program (SEPEP) has estimated that cuts in Title I of the Elementary and Secondary Education Act providing services for disadvantaged and underachieving children will total $226 million in the Southern states alone with 1,360,000 children losing services. SEPEP estimates that only half of the eligible elementary students were being served at the relatively generous funding levels of 1979-80; these cutbacks will only increase the inequities these children face.

The Women's Educational Equity Act, was created to enforce educational equality for male and female students. The Women's Educational Equity Act supports the development of teaching methods and materials promoting the equal education of children in public schools. The act also provides funds to states and schools to help them comply with federal anti-discrimination regulations. The Administration has proposed the recision of FY82 appropriations and the elimination of FY83 for grants under the program. Rural school systems already dependent on a weak tax base will

be hard put to find funds to promote educational equality for boys and girls.

> the cuts will fall "disproportionately on the poor. Education is not so price-sensitive for the upper and middle class. But we've just been beginning to make progress in having the disadvantaged and minorities think of the possibility of college. These cuts would slam them back 15 or 20 years."
>
> -Jack Peltason
> President of the American
> Council on Education.

ENVIRONMENT

Funds for the Environmental Protection Agency (EPA) have been cut 26% from 1981 levels and have had the effect of restricting agency enforcement efforts.

A recent study by Senator Leahy's (D-VT) office has revealed that enforcement within the EPA was down 70-80% during 1981 with only 20 cases being referred to the Department of Justice for court action in the first half of 1982 as compared to 204 cases in 1977 and 78 cases in 1981.

The EPA is the major government agency concerned with protecting and cleaning up our air and water and with researching the effects of proven and suspected cancer-causing agents.

The response has been to cutback funds and enforce-with a dependence on the self-policing of industries on environmental issues.

> "The Administration proposes cutting EPA(Environmental Protection Agency) in half. Half the agency cannot do twice the job. Accepting the Administration's proposal means the destruction of the capacity to understand and manage the environment-not just for 1983, but for the rest of the decade. Once these complex, heavily scientific institutions are gone, it will take many years of strenuous and very extensive effort to recreate the capacity and credibility so easily and quickly demolished."
>
> -National Wildlife Association, "Shredding the Environmental Safety Net"

Although cutbacks and the restructuring of the EPA will have a negative impact on the quality of rural air and water, intensive lobbying by environmental groups, strong public backing and Congressional action has led to several victories for those concerned with environmental issues:

- A strong re-write of the Clean Air Act has emerged from the Senate Environment and Public Works Committee under the leadership of Senator Robert Stafford (VT) with new provisions for the regulation of acid rain.
- Proposed oil and gas exploration in the wilderness areas was voted down in the House by a wide margin of 340 to 58. Action is pending in the Senate.

- An extension of the pesticide control law was granted in the House despite strong industrial opposition.

In a Harris Survey released in early August, 85% of those polled supporting strict enforcement of clean air and water laws.

Public support translated by such groups as the Sierra Club, Environmental Action, the Solar Lobby, Friends of the Earth, the League of Women Voters, the American Lung Association and the United Steelworkers Union into political action and community education has led to a safeguarding of many environmental concerns threatened by administration and Congressional action. Positive results gleaned by the environmentalists gives hope for citizen impact in other programs jeopardized by budgetary actions.

HEALTH

Though making up less than a third of the total population of the United States rural areas contain twice as many of the chronically disabled as urban areas; 50% of all maternal deaths, and in some areas an infant mortality rate running as much at 70% of the national average. 37% of the elderly, a group requiring nearly three times the health services of other groups, reside in non-metropolitan areas. Coupled with this great need for improvement in rural health is the great scarcity of doctors: in 1970 there was one doctor per 550 people compared to 1 doctor per 2,400 people in rural areas.

Women and children make up the majority of rural citizens served by federal health programs. They stand to lose a great deal in the further deterioration of rural health services due to the following cuts in funding:

- Medicaid

  Medicaid provides medical care for low income citizens. Those who qualify for Aid to Families with Dependent Children (AFDC) and Supplemental Security Income (SSI) for the elderly automatically qualify for Medicaid. States sometimes provide Medicaid to other needy citizens who do not qualify for these two programs. Medicaid is an assistance program shared between federal and state governments, with the federal government paying proportionally more in the less wealthy states. 60% of Medicaid recipients are women.

  Congress enacted changes in the Medicaid program that will save $1 billion over the next three years. It has done this by decreasing the amounts of money given the states to run the program. Cuts will hurt rural people disproportionately because federal payments to the states are higher in the poorer more rural states. For example, the federal government pays about 70% of Mississippi's Medicaid costs. In New York State, federal payments are about 50% of these costs.

Community Health Centers

Community Health Centers provide primary health care to many rural people in medically underserved areas. 80% of the people are women and children.

In 1980, 172 Community Health Centers received no federal funds. Fifty-six formerly approved health centers and 38 newly proposed centers were cancelled outright.

Community Health Centers are now slated to be included in the new Primary Care Block Grant in 1983 with a proposed cut in funding by 26% from 1980 spending. This year the program was cut $101 million dollars.

Women, Infants and Children is a supplemental feeding program WIC provides food, nutritional counseling and health services to low-income mothers and babies. In 1982, 39 million dollars was cut from the WIC program. The administration proposes to include WIC in a block grant to be administered by the states in 1983 with a projected 23% cutback in spending for the entire Maternal and Child Health block grant program. This block grant includes funding for lead-based poisoning prevention, adolescent health, maternal and child health, crippled children, and Sudden Infant Death Syndrome research.

The danger with the block grant approach is that a loosening of federal regulations concerning program administration and a cutback in funds may jeopardize targeting of funds to the truly needy.

High levels of maternal and infant death in rural areas mandate a strengthening of the WIC program. A study conducted by the Harvard School of Public Health points up the improved health conditions largely brought about by the WIC program:

- WIC participation was correlated with a marked reduction in incidence of low-birth weight babies.
- each $1 spent on prenatal care provided by WIC saved $3 in saved hospitalization costs for low birth weight babies.

A study by the Massachusetts Department of Public Health showed that the rate of miscarriage of WIC mothers was 1/3 the rate of babies born to comparable mothers not in the WIC program.

Family Planning

Funds for family planning were cut by approximately 24% from 1981 levels. The administration has also proposed including family planning programs in the Primary Care Block Grant in 1983 with a 26% cut in funding from 1980 levels.

Food Stamps

Cuts in the food stamp program totaled $1.7 billion in 1982. Recent Congressional action resulted in $1.9 billion further cutbacks over the next three years. Food stamps helped increase the buying power of low-income citizens affecting both the nutrition of a major sector

of our nation as well as the sale of food products by farms in rural America. Women and children make up at least 85% of the food stamps recipients.

> "...As a result of the cuts, about one million persons are being removed from the food stamp program, and nearly all others (including the poorest of the poor and the elderly) are receiving smaller benefits than they would have under the prior law."
>
> -Children's Defense Fund

School Lunches

School lunch programs provide the only nutritous meal many children receive in the course of a day. This program has been cut 35% by instituting changes in eligibility standards and raising prices of meals.

Domestic Violence

Shelters for abused women and children have felt the effects of cutbacks in AFDC, CETA, WIC, and Community Development Block Grants. These programs provided funding and services for the shelters, who even before the cuts turned away three times the number of people they were able to serve.

Occupational Safety and Health

Inspection of workplaces ensure occupational health and safety has been drastically reduced as a result in cuts of funds for the Occupational Safety and Health Administration.

As manufacturing becomes a major avenue for employment in rural America, the necessity for environmental safeguards is of primary concern.

National Health Services Corps

The National Health Services Corps helps to mitigate the poor health services available to many Americans by providing scholarships for education of health professionals. These professionals in return must agree to practice in "health manpower shortage areas" which tend to be overwhelmingly rural. The Administration has moved to eliminate the program funding only 550 new scholarships in 1982 as compared to 1,600 in 1981.

Although small in size, this program was designed to alleviate the inequalities of health service in rural areas suffering a shortage of medical personnel.

Cuts in rural health programs will affect all rural citizens. Women will be disproportionately affected because they represent the majority of citizens receiving benefits from all the affected federal programs.

HOUSING

Inadequate housing is a major problem in rural America; though comprising 1/3 of the U.S. population rural areas contain 56% of those inadequately housed.

Massive budget cuts have been sustained by the two programs providing federal funds for rural housing.

The Farmer's Home Administration's Rural Housing Program, providing housing loans at less than market rates rural citizens, has been cut by 67%. In addition the FmHA has reported that 3/4 through this fiscal year, it has not spent 50% of it's allocated loan monies nor 1/3 of its Rural Rental Aid monies.

The Department of Housing and Urban Development, which funds public housing in rural areas is expected cut back in its program by

- Raising tenant rents from the current 25% of income to 30%.
- Massive cutback in public housing construction, especially for the elderly.
- Closing down many public housing projects due to cutbacks in operating funds.

These cuts are especially tragic for rural women who have until recently been receiving 40% of FmHA housing loans. In addition women head 1/3 of the families living in federally funded public housing and will be gravely affected by cutbacks in the Department of Housing and Urban Development. Thirty percent of women in rural areas live in substandard housing.

ENERGY

Rural people concerned with skyrocketing utility bills are dismayed by the Administration's cutbacks in funding for alternative energy and conservation programs. Emphasis instead in on the development of nuclear power; one of the most costly and controversial forms of energy. Funding for programs promoting energy conservation -- shown by a Harvard Business school study to be the most viable method of cutting back on energy use -- was cut by $864 million in 1981 and was reduced to $402 million in 1982.

Not all the news is bad, however - solar energy enthusiasts recently won a victory in the battle for funds for the Solar and Conservation Bank - an agency created in the 70's to provide funds for homeowner implementation of solar technology and conservation measures. The current administration's impoundment of 1982 funds was found illegal by Judge Charles S. Haight, and operating funds of $21.85 million were ordered restored. This money will provide a breathing space for solar energy proponents, although it is but a small sum when compared to the $122 millioninitially proposed for the Bank or to the $1.2 billion nuclear energy budget for 1983. It has been estimated that the energy generated by the sun in a two week period is greater than all known oil reserves on earth.

The attempt to cripple the development of alternative technology will ensure our dependence on high cost environmentally threatening energy sources. This will especially be tragic for rural Americans who are annually threatened by huge utility bills in the cold winter months and are disproportionately affected by energy development. Many regulations designed to ensure safe and enviromentally sound development have either been un-enforced or eliminated.

Department of Energy

One final proposal of the Reagan Administration is the dismantling of the Department of Energy with a transferal of "essential functions" to the Department of Commerce and Interior. A recent study by the General Accounting Office has found that no substantial savings, and possibly an increase in expenditures, would be realized by the move. What would be lost would be national priorities of energy independence, cost-efficient energy sources, and environmentally harmonious energy development. Under this plan, energy resource programs (coal mining research, federal leasing and shale development) would be transferred to the jurisdiction of the Secretary of Interior.

Low-Income Energy Assistance

The Low-Income Energy Assistance Program helps the poor pay their energy bills. Recipients use the grants provided by the program to offset heating or cooling costs. The poor, as well as the elderly and the handicapped are targeted by the program.

Substantial cuts proposed by the Reagan Administration were not approved by Congress last year. However, cuts of up to 30% are being considered for 1983.

> "In LaCrosse, Wisconsin, last year, we were the recipient of a grant of $10,000 from federal funds for emergency fuel assistance. The program was viewed as the 'last stop' for families not qualifying for other fuel assistance programs or having exhausted resources available to them through these. This year our grant has been dropped completely, and other government fuel assistance programs are cut back. This in the face of one of the coldest winters in recent years..."
>
> -Salvation Army, Central Territories' 1982

COMMUNITY DEVELOPMENT

Federal programs that provided loans and grants for community development projects have sustained large cutbacks in funding.

The Business and Industrial Loan Program which provided for an excess of 276,000 jobs has been slated for termination.

A cutback by 60% has been sustained by the Water and Waste Disposal Program despite statistics from an Environmental Protection Agency Report showing a 60% rural drinking water contamination rate.

The Community Facility Loan Program which helps towns obtain police and firefighting equipment was cut by 50%.

Community action agencies in rural parts of the country are suffering large cutbacks in funds for community development projects. The administration has proposed cuts of almost 70% for 1983 with an official projection of the elimination of at least 296 Community Action Agencies.

It is especially difficult for states and local areas to assume responsibility for basic services at a time when their own resources are extremely limited.

PROGRAMS FOR THE POOR

Rural areas contain 40% of the poor while making up only a third of the total United States population.

- o 41% of the total black population in rural areas live in poverty.
- o 31% of the heads of poor households in rural areas are women in the South.
- o 60% of black women are poor.
- o 50% of rural families headed by Hispanic women are poor.

Great numbers of the poor are women and families maintained by women; they make up the majority of those served by the following programs:

Aid to Families with Dependent Children (AFDC) is an assistance program for poor families with children. Four-fifths of all recipients are families maintained by women. Although a smaller percentage of rural women qualify for assistance due to the greater prevalence of adult males in rural families, many poor rural women depend on this assistance to feed and clothe their children. 400,000 families were cut from the the AFDC program as a result of budgetary actions. Further cuts have been proposed for the next fiscal year.

The Women, Infants and Children Program (WIC) provides health and nutritional counseling for women and their babies. Medical problems of infants are recognized and treated early. Higher rates of maternal and infant mortality among rural women indicate the great need for the WIC program in rural sectors. The WIC program has sustained a 30% cut from 1981 levels.

Food Stamps have been cut more than $2 billion. A recent USDA study shows that 90% of food stamp recipients have incomes below the poverty level.

Medicaid provides medical care for low income people. People who qualify for AFDC automatically receive Medicaid benefits. Funding for this program has been cut by several billion dollars.

Legal Services have been cut by 50% in 1981.Although greatly restricted because of these cuts, the expected termination of this program by the Administration has been avoided.

Other programs providing assistance to the poor have also been cut. These include the school lunch program in the public schools, low-income housing, energy assistance, public service employment and public education programs.

RURAL WOMEN OF COLOR

"All the special problems of minority groups are compounded if they are also rural. Rural women are distinct minority groups with even fewer opportunities for medical care, community services, transportation, job opportunities and job training. The statistics that can be found for rural women are very limited. There is much more information on crops and livestock than about the condition of farm women."

-Esther Sizer in Report from the White House Mini-Conference on Older Women, 1981.

Rural women of color face great hardship as a result of the budget cuts. They are much more likely to be poor, less educated, and inadequately housed than other groups in our society and are in much greater need of the very social services being cut in Washington.

Although concentrated mostly in metropolitan centers, minority women make up substantial proportions of rural populations in southern and western parts of the United States. Native Americans are the only women of color who have most of their members in rural areas. 55% of all Native American Women in 1970 lived in rural areas compared to 25% of all black women, and less than 10% of women of Asian origin. (Figures are not available for women of Spanish origin).

Almost 40% of minority women and 16% of white women are poor. Although statistics are not available concerning the numbers of poor rural minority women, in 1975 41% of all nonmetropolitan blacks were poor compared to 12% of rural whites. 31% of the heads of poor households in rural areas are women. In the South, where the majority of nonmetro blacks live, 3/5 of black women are poor.

This far greater incidence of poverty among people of color indicates the greater need for the very programs slashed by Congress and the Administration over the past two years. One of the most neglected issues in rural America is decent housing. The Farmer's Home Administration has estimated that 86.5% of minority women in rural areas live in substandard housing. Despite these figures, housing programs have been a major target in the budget-cutting process. Severe cuts in job training programs, education, health and nutrition programs and social services will be aggravated by the weakening of target provisions in the block grant programs.

Rural people of color are also suffering from the loss of minority farms. There are only 52,271 farms in this country operated by blacks, down from a high of 926,000 in 1920. This is a loss of 94% of black farms compared to a 56.4% loss rate for whites. Those who have been able to keep their farms are suffering from far lower incomes than other farmers:

- the median income in 1978 was $7,584 for black farmers and $17,323 for whites.
- 41% of black operated farms made at least $2,500 in sales in 1978 compared to 76% of white farms.
- the average southern black farm has 128 acres; the white farm averages 428 acres.

Although statistics are not available on minority farms owned by minority women the percentage is presumably comparable to the 5% of all farms owned by women in the United States. Since farming is usually a joint venture between wife and husband, the effects of minority farm loss and poverty aggravated by recent cutbacks in the Farmer's Home Administration programs will be very severe for farm women of color. Allegations of inadequate emphasis and targeting of black farmers by the Farmer's Home Administration have been made by the U.S. Commission on Civil Rights. Cutbacks and restrictions on loans to farmers recently implemented by the agency will further jeopardize the existence of the minority farmer in rural America.

Rural elderly women of color are among the poorest of the poor in our society. 42% of all elderly black women and 29% of Hispanic women fell below the poverty level in 1978 compared to the 14.3% rate for all people over 65. Statistics are not available for rural elderly women of color, but a greater rate of poverty can be expected due to higher rates of poverty in rural areas. Cuts in Medicaid, Medicare, Food Stamps, CETA, Supplemental Security Income and housing will be especially disastrous for rural elderly women of color.

Rural Elderly Women

The rural older woman will be among those most acutely affected by by the budget cuts, largely because of her already precarious position in American society. There is simply no room for more cuts in programs serving the elderly poor. Consider the following statistics:

- Women make up 72% of the elderly poor and 59% of those over 65.
- A large proportion of rural elderly women have not participated in Social-Security covered employment.
- Only 20% of retirement-age women receive pensions either on their own or their husbands.
- Inequality in pay for men and women has also resulted in lower social security benefits as well as pension and other retirement benefits.
- Further inequalities in earnings between urban and rural settings also places a double burden on the rural woman.
- The rural elderly often face poor quality health services at a time of increasing need.
- Housing for the rural elderly is substantially inferior to that of the urban elderly.
- Transportation for the rural elderly is extremely limited. This further limits access to health care, shopping, social activities, etc.
- A disproportionate number of the elderly live in rural areas. 37% of those 65 and over live in rural areas while rural areas constitute only 30% of the total population.
- Figures for the 1980 census give the following median annual incomes for the elderly:

men 65 years and older:	$7,342
women 65 years and above:	$4,226
black women 65 and above:	$3,558

- Women outnumber men by more than 2:1 in nursing homes.
- Although 37% of those 65 and over live in rural areas, they receive only 25% of federal outlays, retirement and social security benefits.

The total picture is one of poverty and isolation for elderly women. Living near or below the poverty level and dependent on federal programs they stand to lose substantially from cuts in the following programs:

Medicare

Medicare pays some of the health costs of the elderly. Last year Congress cut Medicare by 3.6 billion over 3 years. Additional cuts enacted this year may cut funds by $12.8 billion over the next 3 years. The effect on women will be disproportionately large since they make up 60% of Medicare recipients. Most of the cuts have come in payments to doctors and hospitals for medical care.

Supplemental Security Income (SSI)

The Supplemental Security Income Program provides cash assistance for the aged, blind, and disabled. The elderly make up 54% of the recipients with women accounting for 75% of the elderly recipients. Proposed administrative changes in eligibility requirements for the program would eliminate 115,000 persons in 1983, affecting approximately 69,000 women. The average federal benefit to the aged in this program was $114 per month in 1981.

Medicaid

Medicaid pays for the medical care of the needy, essentially those who receive Aid to Families with Dependent Children (AFDC) and Supplemental Security Income (SSI). The woman found ineligible for SSI would also lose her Medicaid benefits. Two-thirds of all senior citizen Medicaid recipients are women. Changes which would provide savings are the establishment of co-payments for Medicaid services, reducing federal matching funds for optional services, and the elimination of matching federal funds for nursing home inspections.

Food Stamps

The Food Stamp program was cut $1.7 billion in 1982 and will be cut an additional $1.9 billion over the next 3 years. Compared to the requested administration cuts of $6 billion, the cuts are relatively small. But when one considers the fine line many rural people tread between survival and starvation, the cuts are very serious. One third of all food stamp recipients are the elderly. 70% of all elderly recipients are women.

Housing

The largest cuts in the budget have come in housing programs. Public housing programs financed by the Department of Housing and Urban Development report that 40% of all assisted units are occupied by the elderly; 75% of them headed by women. The Administration proposes to raise tenant rents, to cutback in the

construction of new units, to eliminate federal funding of many existing units, and to count food stamps as income in determining rents. The elderly woman would be seriously affected by these changes as 85% of those receiving both food stamps and housing assistance are elderly women. At least 30% of all rural women, many of them over 65, live in substandard housing.

These major cuts are supplemented by yet additional proposed cuts in the following programs:

- Senior Community Service Employment Program
- CETA public service jobs
- Older Americans Act Nutrition Programs
- Community Health Centers
- Low Income Energy Assistance Program
- Services provided by the Older Americans Act such as funding for senior centers.

The only major program to escape cutbacks has been the Social Security Program. The Administration withdrew its request for major cuts in Social Security benefits when public opinion came out strongly against any move to cut the program. The possibility still exists that the Administration will move to cut the program following elections in November. Some suggested ways of cutting Social Security have been raising the retirement age to 68, cutting benefits for future retirees, and minimizing cost of living increases in benefits.

Effects on the Rural Elderly Woman

Cuts in federal programs to the elderly are especially tragic when one considers the cycle of poverty and isolation besetting so many of our elderly rural women. Inadequately housed, unable to afford good medical care, and often subsisting on insufficient diets, they should not be forced to suffer the effects of further cutbacks in social services, housing, food, medical care and energy assistance programs.

> "When it comes to basic human rights like health care and enough income to grow old in dignity, programs should not be designed for 'cost effectiveness' alone. In the long run such penny-wise, pound foolish policies that reduce people to a ledger sheet are far more costly, both in economic and human terms."
>
> -from Report from the White House Conference on Older Women, 1981

Migrants

The migrant population makes up an estimated five million people in this country. Though largely white, this group comprises substantial numbers of people of Spanish speaking origin, Blacks, Asian, and Native Americans. An estimated 25% of the migrant population is female, and nearly all of the migrants can be considered rural.

Migrant laborers are responsible for a vast amount of agricultural labor in this country but the value we ascribe to them is reflected in grossly inadequate salaries, education, health care, and housing. The average annual family income for migrant farmworkers was approximately $3,000 in 1978. What is worse is that most migrants receive no unemployment, health insurance, Workmen's compensation or retirement benefits. The migrant woman faces even greater hardship; wages for migrant families are credited to the husband only. Thus Social Security is deducted for the husband with the wife receiving no benefits for the work she has contributed. A study by the California Commission on the Status of Women in 1978 reveals further inequities in the life of migrant women:

- Women tend to be assigned the lower-paying farm tasks, resulting in incomes two-thirds less than males'.
- Women are employed fewer weeks than men due to the sporadic nature of tasks assigned to them.
- Women are usually found in the lower status and lower paying jobs.

The Migrant Health Centers were a response to the following horrendous health conditions existing in migrant camps:

- o A life expectancy of 49 years.
- o A death rate from influenza and pneumonia 200% higher than the national rate.
- o An accident rate 300% above the national average.
- o An infant mortality rate 125% above the national average.
- o Death rates from tuberculosis 250% above national figures.

The Migrant Health Centers were never sufficient to adequately address the health needs of our migrant workers; in 1978 the Migrant Health Program provided services to only 25% of the migrant population. Nevertheless, the Centers have been cut by 18% in 1982.

Block Grants

The 'New Federalism' policies of the Reagan Administration, though dependent on cutbacks in federal spending are also based on returning most administration (and eventual funding) of currently federally-run programs to the states.

To date 57 separate programs have been consolidated into 9 block grants (as compared to the Administration's original proposal to group 88 programs into 5 block grants). Spending for these block grants has been cut by approximately 25% and administration has been turned over to the states. Critics of the block grant approach cite the following dangers:

- Federal oversight and evaluation will be minimal.
- States do not have the resources to fund the additional staff mandated by state administration of social programs.
- The block grant approach assumes the eventual termination of all federal funds for block-granted programs. Current economic forecasts preclude the possibility that states will be able to take over the funding of major federal programs.
- Targeting of programs to neglected populations is not mandated by block grant guidelines. The handicapped, elderly, women, and minorities will not receive priority attention as they have in the past.
- In-fighting will occur between deserving groups as they compete for scarce funds.
- Rural people historically are not as organized as urban dwellers, and have little political power to ensure equitable distribution of funds.

Further consolidation of federal programs into block grants has been slowed in the current fiscal year and it is not clear when the Administration will propose the creation of additional block grant programs.

Coalitions have formed within states to offset the possible negative effects of block grant administration. These coalitions have focused on the equitable distribution and targeting of block grant funds, public education on block grants, and delaying tactics in Washington to prevent the further block-granting of federal programs.

Although promoted as a boon to state's rights the block grant approach will have the effect of victimizing the poorest of our citizens. These are women, rural people, the elderly, minorities, and the handicapped.

How to deal with the block grants

Block grant administration varies from state to state; the most effective method of ensuring equitable block grant administration is to become a member of the numerous state coalitions that have sprung up across the country.

If you wish to find out about coalitions in your state contact Rural American Women or the Coalition on Block Grants and Human Needs at 1000 Wisconsin Avenue, N.W., Washington, D.C. 20007 (202) 333-0822.

Other methods of obtaining information would be to contact your governor or local representatives.

REFERENCES

Belden, Joe, "Hard Traveling: "Rough Riding Ahead for Rural People," Rural America, Vol. 7, no. 1 January/February 1982, pp. 12-13.

Bissell, Kathryn, The Migrant Farmworker. Published by The Catholic University of America, Washington, D.C., and the National Migrant Information Clearinghouse, Juarez-Lincoln University, Austin, Texas, 1976.

Bureau of the Census, A Statistical Portrait of Women in the United States: 1978, Washington, D.C., U.S. Government Printing Office, 1978.

California Commission on the Status of Women, Campesinas- Women Farmworkers in the California Agricultural Labor Force, Sacramento, California, 1978.

Center for Rural Affairs, "Government Abandoning Beginning Farmers," Walthill, Nebraska, September 1981.

Coalition on Block Grants and Human Needs, Briefing Book on Block Grants and the New Federalism, April, 1982.

Crittenden, Ann, "Federal Food Programs: An Advocate Speaks Out," The New York Times, July 9, 1982.

Dunbar, Tony and Kravitz, Linda, Hard Traveling: Migrant Farmworkers in America, 1976.

Executive Office of the President Office of Management and Budget, The United States Budget in Brief,1982.

Fair Budget Action Committee, An Organizer's Manual, Washington, D.C., 1982.

Guzzardi, Walter, Jr., "Who Will Care for the Poor?," Fortune,June 28, 1982, pp. 34-42.

Hintz, Joy, Valiant Migrant Women-Las Mujeres Valerosas, Ohio, Sayger Printing, 1981.

Housing Assistance Council, Inc., Testimony of Harold O. Wilson, Executive Director of Housing Assistance Council Before the Subcommittee on Rural Development, Oversight, and Investigations, Committee on Agriculture, Nutrition, and Forestry, United States Senate, Washington, D.C., HAC, July 27,1982.

Inequality of Sacrifice: The Impact of the Reagan Budget on Women, (written by a coalition of organizations) Washington, D.C., National Association of Education, May 6, 1982.

Johnson, Lynn, "Reaganomics and Rural People," Washington, D.C., Fair Budget Action Campaign, 1982.

Leahy, U.S. Senator Patrick J., Environmental Law Enforcement: A Case Study in Mismanagement, July 21, 1982.

Leahy, U.S. Senator Patrick J., Statement to the Subcommittee on Rural Development, Oversight and Investigations, July 27, 1982.

"Military Spending Squeezes Small Farmers," Rural Advance, Charlotte, North Carolina, Rural Advancement Fund/National Sharecroppers Fund, Spring/Summer 1982, pp. 4-5.

O'Connell, Brian, Analysis of the Economic Recovery Program's Significance for Philanthropic and Voluntary Organizations and the People They Serve, Washington, D.C., Independent Sector, April, 25, 1982.

Older Women's League, The "Payoff Stage of Life" for Older Women; A Critique of the White House Conference on Aging Final Report, Washington, D.C., OWL, July 30, 1982.

Omang, Joanne, "Nation's School Systems Feeling Impact of Federal Budget Cuts," Washington Post, August 30, 1982.

Rix, Sara E., Ph.D, and Stone, Anne J., Impact on Women of the Administration's Proposed Budget, Washington, D.C., The Women's Research and Education Institute, April, 1982.

Runningen, Roger, "FmHA in City, Preston Urged to Tighten Credit," Post-Bulletin, Rochester, Minnesota, July 10, 1982.

Rural Health Issues Committee of the National Women's Health Network, Patterns for Change: Rural Women Organizing for Health, Washington, D.C., 1981.

Rural America, Bypassing the Poor on the 'Road to Recovery': A Rural America Analysis of the Reagan Budget, Washington, D.C., Rural America, 1981.

Schwartz, Loretta, "The Plight of America's Five Million Migrants," MS. Magazine,June, 1978, pp. 65-74.

Sinclair, Ward, "Rural Development Being Neglected Under Reagan, Hill Critics Assert," The Washington Post, August 7, 1982.

Sinclair, Ward, "FmHA: A 4-Letter Word?," The Washington Post, July 9, 1982.

Solar Lobby, "Dismantle DOE?," Solar Political Report,Washington, D.C., July 1982.

Sommer, Tish, coordinator and MacLean, Judy, ed., Growing Numbers, Growing Force: A Report From the White House Mini-Conference on Older Women, California, Older Women's League Educational Fund, 1981.

U.S. Commission on Civil Rights, The Decline of Black Farming in America, Washington, D.C., U.S. Government Printing Office, February, 1982.

U.S. Department of Agriculture, Economic Development Division, Rural Development Perspectives: Focus on Rural Poverty, 1980.

Women's Equity Action League, Budget Cuts Hurt Women,Washington, WEAL, 1981.